

**Senate Bill 13-257**  
**Legislation Resulting From the Automobile Inspection and Readjustment (AIR) Program**  
**Performance Audit**  
**Department of Public Environment**  
**Concerning Exemptions from the Motor Vehicle Emission Inspection Program**  
**Recommendations No. 1, Page 28, and 2, Page 33**

---

**What Would This Bill Do?**

This Bill would amend Section 42-4-310, C.R.S., to change the model-year exemption period for the AIR Program's vehicle emission inspections from the latest four model years to the latest seven model years.

This Bill also amends Section 25-7-133, C.R.S., to require the Air Quality Control Commission (Commission) to adopt rules to extend the model-year exemption period and to allow for the use of on-board diagnostic (OBD) testing equipment in the AIR Program by January 1, 2014. Without this Bill, the model-year exemption period will be extended to the latest seven model years (i.e., model years 2007 through 2013 currently), and OBD testing equipment will start to be used for the latest model years eight through eleven (i.e., model years 2003 through 2006 currently) as of January 1, 2015, in accordance with a proposal approved by the Commission in December 2012.

**Why Is This Bill Necessary?**

The November 2012 performance audit of the AIR Program found that extending the model-year exemption period and using OBD equipment to perform emissions testing on some vehicles could cut the costs of the AIR Program significantly without materially affecting the emissions reduction benefits of the program. For example, the audit found that extending the model-year exemption period to model year 2001 and newer vehicles would decrease the AIR Program's cost-effectiveness ratio from \$7,200 per ton of emissions removed from the atmosphere to \$5,200 per ton, which would result in annual cost savings to consumers of \$28.4 million. The audit also found that using OBD equipment for testing certain vehicles could also reduce the AIR Program's cost-effectiveness ratio to \$5,200 per ton.

Our audit recommended that the Department of Public Health and Environment work with the Air Quality Control Commission to adopt a longer model-year exemption period than the current four-model-year period and to use OBD equipment to perform emissions testing on certain other model years of vehicles.

**Comments:** The Department of Public Health and Environment has not taken a position on this bill.